

# Renewable Energy Technologies and Financial Incentives

Gus Ogunbameru Morgan Mihok April 15, 2008





## Renewable Energy

- Solar (PV, Thermal)
- Hydroelectric Power
- Wind
- Geothermal





# Photovoltaic and Solar Hot Water Systems

- Considerations before starting a renewable energy project
- Evaluating energy consumption patterns
- Photovoltaic systems
  - Online tools
  - Site evaluation
- Solar hot water systems
  - Types of solar hot water systems
  - Solar hot water vs. PV systems
  - Special considerations



## Analyzing Demand & Supply

- How much electricity does the company use?
- Does the company have a % generation goal?
- How many shifts/days does the company operate?
- What does the company's energy demand look like – daily and seasonally?
- Does the utility company assess demand charges?
- Does the company/management have a renewable technology in mind?





## **Energy Efficiency**

 An energy audit in the past 6 years is generally required for Renewable Energy Trust funding

Allows for correct sizing of renewable energy system

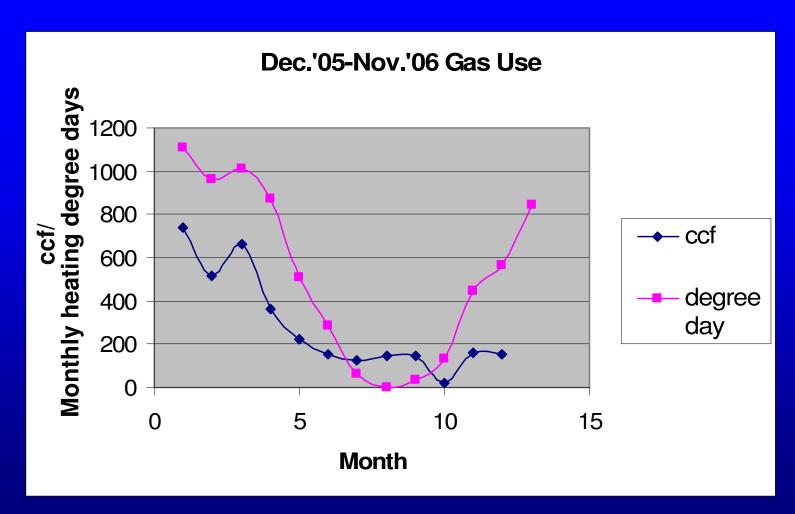


#### raph Energy Use kWh 200000 100000 150000 50000 Dec-05 Jan-06 Feb-06 **Electricity Use** Mar-06 Apr-06 May-06 Jun-06 Jul-06 Aug-06 Sep-06 Electricit Oct-06 Nov-06 T KMh





## Graph Gas Use – Compare with Temp



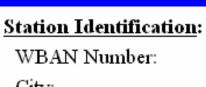


## **RV** Watts for Quantifying Solar

 http://rredc.nrel.gov/solar/codes\_algs/PVW ATTS/version1/







14739

City: Boston

State: MA

#### **PV System Specifications:**

DC Rating (kW): 60

DERATE FACTOR DC to AC Derate Factor: 0.77

Fixed Tilt Array Type:

#### Fixed Tilt or 1-Axis Tracking System:

Array Tilt (degrees): 42.37 (Default = Latitude)

Array Azimuth (degrees): 180.0 (Default = South)

#### **Energy Data:**

Cost of Electricity (cents/kWh): 14

Calculate

Reset Form





#### AC Energy & Cost Savings



Station Identification				
City:	Boston			
State:	MA			
Latitude:	42.37° N			
Longitude:	71.03° W			
Elevation:	5 m			
PV System Specifications				
DC Rating:	60.0 kW			
DC to AC Derate Factor:	0.770			
AC Rating:	46.2 kW			
Array Type:	Fixed Tilt			
Array Tilt:	42.4°			
Array Azimuth:	180.0°			
Energy Specifications				
Cost of Electricity:	14.0 ¢/kWh			

Results			
Month	Solar Radiation (kWh/m²/day)	AC Energy (kWh)	Energy Value (\$)
1	3.36	5014	701.96
2	4.36	5879	823.06
3	4.79	6888	964.32
4	4.92	6685	935.90
5	5.33	7143	1000.02
6	5.41	6763	946.82
7	5.60	7215	1010.10
8	5.65	7325	1025.50
9	5.13	6612	925.68
10	4.65	6422	899.08
11	3.14	4341	607.74
12	2.98	4336	607.04
Year	4.61	74624	10447.36





### Solar PV Issues

- Very diffuse energy source
- Peak resource around mid-day
- Very expensive, Commonwealth Solar funding
- Panel life of ~25 years, but inverter life is typically shorter





## Other Considerations

- Generally doesn't supply a large percentage of electricity
- Can lower summer peak demand charges
- Good for companies interested in renewables publicity where wind or hydroelectric are not feasible
- Can contribute to LEED certification





## Site Evaluation Survey

- System size and weight
- Foundation Conditions
- Orientation
- Electricity Transmission
- Obstacles
- Roof vs. Ground





## Size & Weight

- Area: ~100 ft² per kW
- Weight: ~3-5 lbs per ft²

#### Therefore...

 An industrial-sized installation of 60kW would be 6000 ft<sup>2</sup> and up to 30,000 lbs



## **Foundation Condition**

Concrete piers or slabs for ground-mounted systems w/steel, Al, or wood frame

- For roof-mounted systems, building must be structurally sound enough to support projected weight
  - Recommend installing in conjunction with roof replacement





## Orientation

Solar panels should face south

SE or SW are also feasible

Flat installations are common





## Optimal Solar Panel Tilt

www.macslab.com/optsolar.html

 Provides information on optimal tilts for annual or seasonal production

 Company may want to optimize for peak use/to reduce peak demand charges





## **Electricity Transmission**

- Transmitting electricity over a distance causes electricity loss
- PV panels and inverters should be close to the electric meter
- Inverter should be at least within 100 ft of nearest panel – greater than 600 ft can make a project not feasible





### Obstacles

- Shading and obstructions must be avoided as much as possible (consider time of day and seasonal variation)
  - Trees
  - Buildings
  - Stacks
  - HVAC equipment
  - Etc.





## Roof vs. Ground

 Roof-mounting is generally preferable





Why?



## Ground-mounted Installations

- Reduced facility expansion space
- Wetlands
- Zoning issues
- Requires structural support
- Vandalism fences, security
- Proximity to meter issues

#### However,

Installation and maintenance may be easier





## Roof-mounted Installations

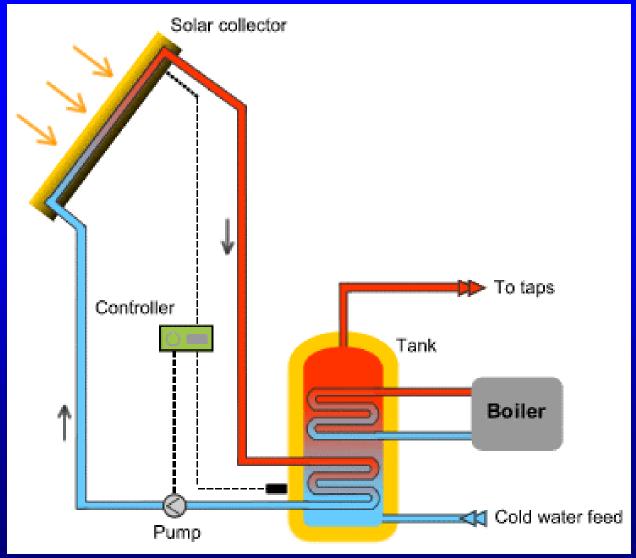
- No-cost and often unused
- Zoning issues rare
- Shorter wire runs

#### However,

- Occasional structural issues
- Complicates re-roofing
- Low roofs preferred safety & logistics



## Solar Hot Water Heating





http://www.west-norfolk.gov.uk/default.aspx?page=22430



## Manufacturing

- How does the need for hot water match with what solar hot water would supply?
  - -Continuous vs. batch processing
  - Intermittent need?
  - Quantity
  - Centralized vs. decentralized





# Flat Plate and Evacuated Tube Collectors



A combination flat plate/evacuated tube solar installation.

http://www.radiantcompany.com/system/solar.shtml





### Similarities of the Solars

- Significant weight
- Must face towards sun
- Don't want shading obstacles
- Transmission losses
- Roof vs. ground issues
- Peak need for energy should roughly coincide with mid-day



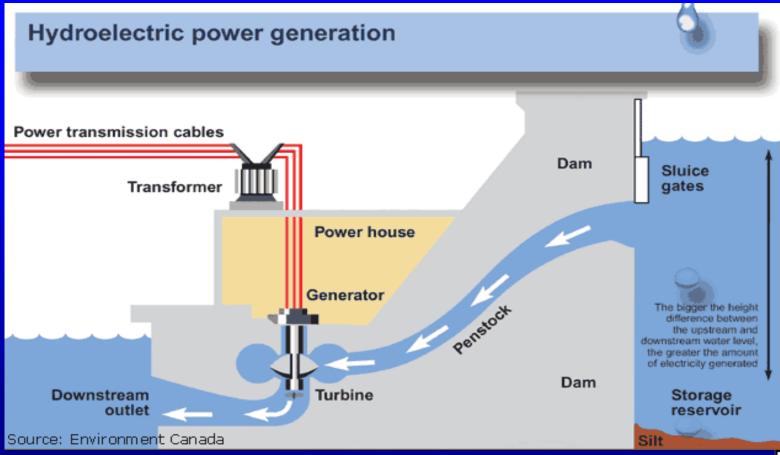


# Differences between PV and Solar Hot Water

- Much less expensive
- Limited funding offers
  - KeySpan, Bay State, and NSTAR Gas
  - Not RET or Commonwealth Solar
- Additional space needed for large storage tank
- Professionals hard to come by



## Hydroelectric Power





## Wind Power



LARGE ONSITE RENEWABLE INITIATIVE – 1.5 MW JIMINY PEAK, MA. (Photo Courtesy of Jiminy Peak)





## Wind Power



**Small Renewable Initiatives – 2.5 kW Wind Turbine, Oak Bluffs, MA** 



## Wind Power Requirements

- Characterize wind resources at the site: <a href="http://truewind.teamcamelot.com/ne/">http://truewind.teamcamelot.com/ne/</a>
   Desired wind speed of at least 14.5 MPH (6.5m/s)
- Estimate latitude and longitude from <u>http://www.topozone.com/</u>
- 1,000 feet from the nearest residence
- 5 miles from nearest airport
- Sited at a distance equal to 1.5 times its height from buildings and property lines
- Should not cause more than a 10 dB increase in noise off-site (310 CMR 7.10)



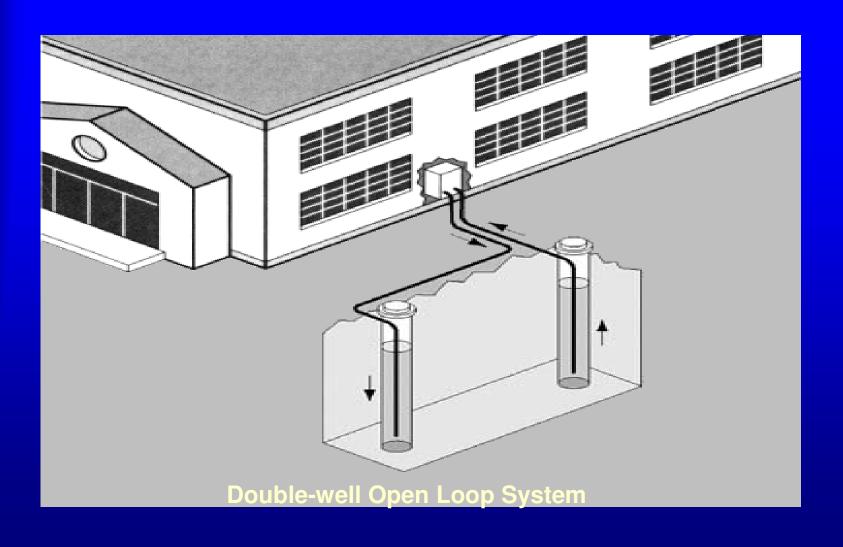


## Geothermal Energy

- DIRECT USE Reservoirs near the surface for residential, commercial and industrial uses
- GEOTHERMAL HEAT PUMP Use stable water temperature near the surface for space heating, cooling, and for water heating
- POWER GENERATION Water or steam at high temperatures (300 – 700°F); Reservoirs located one to two miles from the surface

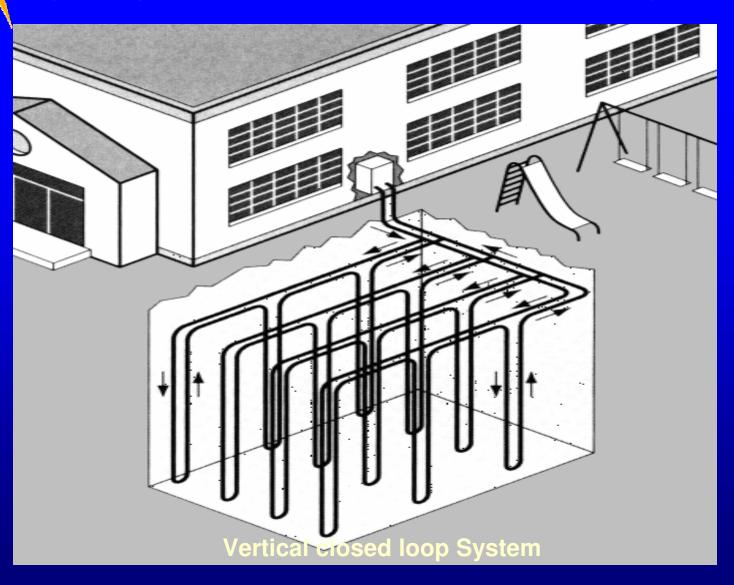


## GEOTHERMAL ENERGY





## **GEOTHERMAL ENERGY**







### Geothermal in MA

- Public Library, Haverhill MA
  Space conditioning, 6 heat pumps about 35 kW ea., type water to water, \$209,000 total cost;1995
- New England Quilt Museum, Lowell MA Space heating and cooling, 6 heat pumps about 35 kW ea., type water to water, \$215,000 total cost of heat pumps and wells;1995
- High School, Southborough, MA Space heating, 704 kW type water to water

#### Sources:

http://heatpumpcentre.org/publications/ http://www.geo4va.vt.edu/A2/A2.htm





### **GRANTS**

 MTC Large Onsite Renewables Initiative (LORI) Grants:

Feasibility - \$40,000, 15% cost share; Design - \$125,000 or 75% of actual cost; Construction - \$275,000 or 75% of actual cost

http://masstech.org/renewableenergy/large\_renewables.htm





## GRANTS, CONT.

 MTC Small Renewables Initiative (SRI) Rebate

Maximum \$50,000 for design and construction of renewable energy project, 10 kW maximum capacity. Rebates at \$2.25/watt (AC) for wind and \$4.00/watt (AC) for hydroelectric

http://masstech.org/renewableenergy/small\_renewables.htm





# COMMONWEALTH SOLAR INITIATIVE

\$68 million over four years to install 27 MW solar electricity capacity

- Program starts January 23, 2008
- Can defray 30 50% of costs for businesses (project goal is 5-6 year payback or 10% rate of return on investment) up to \$1,000,000
- Tiered rebate structure based on system's size
- Maximum size 500 kW

For more information, visit:

www.masstech.org/solar





### Incentives

 List of for Incentives for Renewables & Efficiency (DSIRE - <u>Database for State Incentives for Renewables & Efficiency</u>)

www.dsireusa.org/library/includes/map2.cfm?CurrentPageID=1&State=MA&RE=1&EE=1

- Lists of available grants, rebates, exemptions from taxes, loans



## Incentives, Cont.

 USDA Renewable Energy Systems and Energy Efficiency Improvement Program

For commercial and agricultural sectors, grants of 25% of project cost up to \$500,000; loans of 50% of project cost up to \$10 million.

 Mass Energy – Renewable Energy Certificate (REC) Incentive

Production incentive for PV - \$0.06/kWh for 3 years purchased by Energy Consumers Alliances of New England. RECs also available for wind, small hydro and biomass.



#### REFERENCES

OTA Fact Sheet, "What You Should Know About Installing On-site Renewable Energy for Your Massachusetts Business", January 2008 <a href="http://www.mass.gov/envir/ota/publications/pdf/renewable-energy-fact-sheet.pdf">http://www.mass.gov/envir/ota/publications/pdf/renewable-energy-fact-sheet.pdf</a>

Data Base for State Incentives for Renewables Energy and Efficiency (DSIRE)

http://dsireusa.org/library/includes/map2.cfm?CurrentPageID=1&State=M A&RE=1&EE=1

Division of Energy Resources (DOER), "A Developer's Guide to Regulations, Policies and Programs that Affect Renewable Energy and Distributed Generation Facilities in Massachusetts", April 2001 <a href="http://www.mass.gov/Eoca/docs/doer/pub">http://www.mass.gov/Eoca/docs/doer/pub</a> info/guidebook.pdf

US Department of Energy, Geothermal Technologies Program <a href="http://www1.eere.energy.gov/geothermal/">http://www1.eere.energy.gov/geothermal/</a>





## Need help? Contact OTA!

Gus Ogunbameru

**Team Leader** 

617-626-1065

Morgan Mihok

**Environmental Analyst** 

617-626-1088

**OTA** 

www.mass.gov/envir/ota

617-626-1060

